

EXHIBIT D

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

In re: STUDENT FINANCE CORPORATION, Debtor.	Chapter 7 Case No. 02-11620 (KJC)
CHARLES A. STANZIALE, JR., CHAPTER 7 TRUSTEE OF STUDENT FINANCE CORPORATION, Plaintiff, v. PEPPER HAMILTON LLP, <u>ET AL.</u> , Defendants.	Civil No. 04-1551 (JJF)
ROYAL INDEMNITY COMPANY, Plaintiff, v. PEPPER HAMILTON LLP, <u>ET AL.</u> , Defendants.	Civil No. 05-165 (JJF)

AFFIDAVIT OF CHARLES A. GILMAN

STATE OF NEW YORK)
 : ss.:
COUNTY OF NEW YORK)

CHARLES A. GILMAN, being first duly sworn, deposes and says:

1. Pursuant to a written agreement dated December 12, 2006, between Royal Indemnity Company ("Royal"), Charles A. Stanziale, Jr., Chapter 7 Trustee of Student Finance Corporation ("Trustee"), Pepper Hamilton LLP ("Pepper Hamilton"), and Defendants Robert L. Bast, Pamela Bashore Gagne, The Brennan Trust and W. Roderick Gagne (in both his capacity as an attorney at Pepper Hamilton LLP and as a Trustee of the Brennan Trusts) ("Family Defendants"), Royal, the Trustee, Pepper Hamilton and the Family Defendants engaged in a Confidential Mediation held in Philadelphia before Professor Eric D. Green of Resolutions, LLC ("Media-

tion”). The remaining Defendants (the accounting Defendants) were not invited to attend and did not attend the Mediation. The Mediation Agreement signed by counsel for Plaintiffs and the participating Defendants, a copy of which is attached to the Brief submitted herewith, provides:

“CONFIDENTIALITY

This entire process is a compromise negotiation. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the Parties, their agents, employees, experts and attorneys, and by Resolutions, LLC employees, who are the Parties’ joint agents and Mediators for purposes of these compromise negotiations, are confidential. Such offers, promises, conduct, and statements will not be disclosed to third parties and are privileged and inadmissible for any purpose, including impeachment, under Rule 408 of the Federal Rules of Evidence and any applicable federal or state statute, rule or common law provision. However, evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or not discoverable as a result of its use in the mediation.”

2. In connection with the Mediation, Royal stamped the cover of its mediation submission: **“CONFIDENTIAL”** in large, bold all-caps.

3. In connection with the Mediation, the Trustee titled its mediation submission: **“CONFIDENTIAL FOR SETTLEMENT PURPOSES ONLY”** in bold, capitalized and underlined text.

4. In connection with the Mediation, Pepper Hamilton stamped every page of its mediation submission **“CONFIDENTIAL SETTLEMENT COMMUNICATION SUBJECT TO FEDERAL RULE OF EVIDENCE 408”** in bold capital letters.

5. In connection with the Mediation, the Family Defendants stamped each page of their mediation submission: **“CONFIDENTIAL/SUBJECT TO FED.R.EVID. 408”** in bold capital letters.

6. In the “Report of Professor Douglas M. Branson on Behalf of Trustee Charles A. Stanziale, Jr.” dated May 7, 2007, Professor Branson lists Pepper Hamilton’s confidential mediation submission under “Documents and materials considered.”


7. In the "Expert Report of Nancy J. Moore" dated May 7, 2007, Professor Moore lists Pepper Hamilton's and the Family Defendants' confidential mediation submissions, and the appendices of documents attached thereto, under "Data and Information Considered."

8. In the "Expert Report of Steven L. Schwarcz" dated May 7, 2007, Professor Schwarcz lists Pepper Hamilton's confidential mediation submission and the appendix of documents attached thereto, under "Data and Information Considered."

9. Neither Royal nor the Trustee ever sought the consent of Pepper Hamilton or the Family Defendants to disclose their confidential mediation submissions to any party, and neither Pepper Hamilton nor the Family Defendants ever provided such consent.


Charles A. Gilman

Sworn to before me this
11th day of May, 2007.


Notary Public

CHARLOTTE EVANS
Notary Public, State of New York
No. 01EV4710890
Qualified in Kings County
Commission Expires Feb. 28, 2011